



Hog Margin Outlook

Meeting Your Marketing Needs

For details call: (204)235-2237 or visit www.mpmc.mb.ca & www.spimg.ca

Friday, June 18, 2010

Hog Prices: ↑ Soymeal: ↑
Corn: ↔ Cdn Dollar: ↓

US Slaughter	
402,000 – Thursday's	
414,000 – Thursday's (year ago)	
US Iowa/Sthrn MN	\$79.79
Western Corn Belt	\$79.36
Daily National Price	\$78.33
Daily Sig3(M.Leaf)	\$149.60
Daily Sig4(M.Leaf)	\$142.98
4-Month Fwd Avg	\$139.28
#1 Export Sows (+500lbs) \$51.75 cwt	
B of C Ex. Rate (Noon) \$1.0284CAD / \$0.9724US	
Cash Prices: Week Ending June 18th, 2010	
65.41/144.21 Signature #3	
64.39/141.95 Signature #4	
64.13/141.39 MPMC Cash	
62.32/137.38 Springhill	

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Forward contract prices opened higher this morning. U.S. cash prices have strengthened by more than \$4.00/cwt over the week as packers are finding supplies tight while they are seeing steady demand for fresh product. The pork carcass cut-out value recovered most of what it lost earlier in the week, providing optimism to futures traders that cash bids will remain firm over coming weeks. Lean Hog futures are trading steady this morning, but have failed to keep pace with the cash market, resulting in the July contract holding only a minor premium over the cash market. The Canadian Dollar is being maintained at better than US\$0.9750, near its highest level since mid-May. The Loonie is being supported by a rebound in crude oil prices and increased demand for our currency from other countries as they look to diversify away from the U.S. Dollar as a reserve currency.

Canadian delivered soymeal prices opened higher this morning. The soybean complex continued moving upward as thousands of canola acres in Canada remain unplanted. With canola oil being a substitute of soyoil in world vegoil markets, demand for soybeans will increase for next year. Further rains in the Midwest are also delaying the tail end of seeding.

Canadian delivered corn prices opened steady this morning. Corn markets are trading steady this morning as projections for record yields in the U.S. competes with uncertainty regarding Chinese demand. Expected heavy rains in the U.S. are threatening to cause local flooding in the Corn Belt, which could decrease yield potential.

	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar
Fixed Forward Range (Maple Leaf Sig. #3)		146.30	147.43	136.15	130.83	121.88	119.25	121.61	128.23	124.55
		147.24	149.12	140.38	137.46	129.41	126.59	127.76	130.12	128.33
(Maple Leaf Sig. #4)		143.85	144.04	136.39	129.97	121.03	119.32	121.61	126.74	125.18
		145.13	146.58	142.03	135.12	127.78	127.42	125.09	128.57	126.83
Estimated Hog Margin		22.76	22.85	16.45	14.86	10.12	10.13	11.82	16.29	15.77
Soymeal Delivered	360	360	362	366	341	340	340	325	326	326
Corn Delivered	152	154	156	158	160					



Rothsay Animal Vegetable Feed Fat

\$613/tonne ↔ (2 – 19 mt)

To place your order call 1-866-768-4729

*Price quoted is FOB Southeast Manitoba

